

February 27, 2025



**MINUTES OF THE FINANCE-AUDITING COMMITTEE/
COMMITTEE OF THE WHOLE**

These minutes are supplemented by the audio recording that is posted online at:

<https://www.goldengate.org/district/board-of-directors/meeting-documents>.

Honorable Board of Directors
Golden Gate Bridge, Highway
and Transportation District

Honorable Members:

The Finance-Auditing Committee/Committee of the Whole (Committee) of the Golden Gate Bridge, Highway and Transportation District (District) met in regular session in the Board Room, Administration Building, Golden Gate Bridge Toll Plaza, San Francisco, CA, on Thursday, February 27, 2025, at 10:01 a.m., with Chair Rabbitt presiding. A remote audio option for public participation was available.

- (1) Call to Order:** 10:01 a.m.
- (2) Roll Call:** Secretary of the District Amorette Ko-Wong. **[00:08 Minute Mark on the Audio Recording]**

Committee Members Present (6): Chair Rabbitt; Directors Giudice, Hernández, Mastin and Rodoni; President Cochran.

Committee Members Absent (2): Vice Chair Pahre; Director Dorsey.

Other Directors Present (4): Directors Garbarino, Hill, Snyder and Thier.

Committee of the Whole Members Present (10): Directors Garbarino, Giudice, Hernández, Mastin, Rodoni, Snyder and Thier; Second Vice President Rabbitt; First Vice President Hill; President Cochran.

Committee of the Whole Members Absent (5): Directors Conroy, Dorsey, Engardio, Moulton-Peters and Pahre.

[Note: On this date, there were four vacancies on the Board of Directors.]

Staff Present: General Manager Denis Mulligan; Auditor-Controller Jennifer Mennucci; District Engineer John Eberle; Secretary of the District Amorette Ko-Wong; Attorney Kimon Manolius; Deputy General Manager/Bridge Division David Rivera; Deputy General Manager/Bus Transit Division Les Belton; Deputy General Manager/Ferry Division Michael Hoffman; Deputy General Manager/Administration and Development

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Kellee Hopper; Executive Administrator to the General Manager Justine Bock; Senior Board Analyst Elizabeth Eells.

Copies of all reports are available on the District's web site at <https://www.goldengate.org/district/board-of-directors/meeting-documents> or upon request from the Office of the District Secretary.

(3) Ratification of Previous Actions by the Auditor-Controller [00:39 Minute Mark on the Audio Recording]

PFM Asset Management (PFMAM) Managing Director LLC Monique Spyke presented the Investment Report. She spoke about new federal leadership and economic news. She highlighted the effects of potential tariffs on the yield curve, interest rates, treasuries and financial markets. She reviewed the District's treasury portfolio returns as reflected in interest earned and market value increases. She confirmed PFM representatives' focus on the safety and liquidity of the District's portfolio.

[08:56 Minutes Mark on the Audio Recording]

Director Thier inquired about long-term interest rates. Ms. Spyke responded.

Chair Rabbitt expressed appreciation for the Investment Report and PFMAM's work on the District's behalf.

(a) Action by the Committee

Staff recommended and the Committee concurred by motion made and seconded by **Directors RODONI/GIUDICE** to forward the following recommendation to the Board of Directors for its consideration:

RECOMMENDATION

The Finance-Auditing Committee/Committee of the Whole recommends that the Board of Directors approve the following actions:

- (i) There are no commitments and/or expenditures to ratify for the period of January 1, 2025 through January 31, 2025;
- (ii) Ratify investments made during the period January 14, 2025 through February 17, 2025;
- (iii) Authorize the reinvestment, within the established policy of the Board, of any investments maturing between February 18, 2025 and March 17, 2025, as well as the investment of all other funds not required to cover expenditures that may become available; and,
- (iv) Accept the Investment Report for January 2025.

Action by the Board at its meeting of February 28, 2025 – Resolution
CONSENT CALENDAR

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AYES (10): Directors Garbarino, Giudice, Hernández, Mastin, Rodoni, Snyder and Thier; Second Vice President Rabbitt; First Vice President Hill; President Cochran.

NOES (0): None.

ABSENT (5): Directors Conroy, Dorsey, Engardio, Moulton-Peters and Pahre.

(4) Authorize Budget Adjustment(s) and/or Transfer(s)

No actions required authorization.

(5) Authorize Actions Related to Grant Programs

No actions required authorization.

(6) Approve Renewal of the Marine Insurance Program [12:38 Minutes Mark on the Audio Recording]

Deputy General Manager/Administration and Development Kellee Hopper presented the staff report. She spoke about a large claim and staff's goal to resolve the claim in the current year.

[16:41 Minutes Mark on the Audio Recording]

Chair Rabbitt thanked Ms. Hopper for her report and staff's work on the insurance program.

Director Mastin inquired about the Premium Summary Chart (page 34) and changes in the Protection and Indemnity costs. Ms. Hopper responded.

(a) Action by the Committee

Staff recommended and the Committee concurred by motion made and seconded by **Directors HERNÁNDEZ/GIUDICE** to forward the following recommendation to the Board of Directors for its consideration:

RECOMMENDATION

The Finance-Auditing Committee/Committee of the Whole recommends that the Board of Directors approve the Marine Insurance Program, effective February 20, 2025, as follows:

- (i) Renew Protection & Indemnity coverage with the Steamship Mutual Protection and Indemnity Club for a one-year term, with a limit of \$1 billion for each occurrence/annual aggregate in excess of the expiring per occurrence deductible of \$55,000 and increased annual aggregate deductible of \$415,000 for a total premium of \$540,436;
- (ii) Renew Hull & Machinery, Increased Value and War coverage including Terrorism and Risk Insurance Act coverage with Ascot, Travelers, The Hartford and Liberty for a one-year term, with insured hull limits per values in excess of improved

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deductibles of \$150,000 – \$200,000 depending on vessel, for a total premium of \$255,740;

- (iii) Renew Marine General Liability coverage with Liberty Mutual for a one-year term, with a limit of \$1 million occurrence and \$2 million aggregate, in excess of a per occurrence deductible of \$10,000 for a total premium of \$35,900;
- (iv) Bind Excess Marine General Liability Insurance program with Navigators, Liberty, Core Specialty, Great American, Endurance, and Continental for a one-year term with a liability limit of \$50 million for each occurrence/annual aggregate in excess of a \$10,000 self-insured retention for a total premium of \$124,419; and,
- (v) Bind Vessel Pollution Liability coverage with Great American for a one-year term, with a limit of \$5 million for a total premium of \$6,920;

with the understanding that the requisite funds will be available in the FY 25/26 Operating Budget for the appropriate District divisions.

**Action by the Board at its meeting of February 28, 2025 – Resolution
NON-CONSENT CALENDAR**

AYES (10): Directors Garbarino, Giudice, Hernández, Mastin, Rodoni, Snyder and Thier; Second Vice President Rabbitt; First Vice President Hill; President Cochran.

NOES (0): None.

ABSENT (5): Directors Conroy, Dorsey, Engardio, Moulton-Peters and Pahre.

(7) Authorize Execution of an Amendment to Contract No. 2023-D-075, *Grants Management Professional Services* [18:44 Minutes Mark on the Audio Recording]

Auditor-Controller Jennifer Mennucci presented the staff report.

[20:01 Minutes Mark on the Audio Recording]

Chair Rabbitt expressed appreciation for the staff report.

(a) Action by the Committee

Staff recommended and the Committee concurred by motion made and seconded by **Directors SNYDER/COCHRAN** to forward the following recommendation to the Board of Directors for its consideration:

RECOMMENDATION

The Finance-Auditing Committee/Committee of the Whole recommends that the Board of Directors authorize execution of an amendment to Contract No. 2023-D-075, *Grants Management Professional Services*, to provide additional on-call professional support services in the amount of \$700,000, for a total aggregate not-to-exceed amount of \$1.5

million, provided funding is available within the Golden Gate Bridge, Highway and Transportation District's annual budget.

Action by the Board at its meeting of February 28, 2025 – Resolution
NON-CONSENT CALENDAR

AYES (10): Directors Garbarino, Giudice, Hernández, Mastin, Rodoni, Snyder and Thier; Second Vice President Rabbitt; First Vice President Hill; President Cochran.

NOES (0): None.

ABSENT (5): Directors Conroy, Dorsey, Engardio, Moulton-Peters and Pahre.

(8) Authorize the General Manager to Execute Agreements with Values of Up to \$250,000
[20:34 Minutes Mark on the Audio Recording]

Auditor-Controller Jennifer Mennucci presented the staff report.

(a) Action by the Committee

Staff recommended and the Committee concurred by motion made and seconded by **Directors THIER/GIUDICE** to forward the following recommendation to the Board of Directors for its consideration:

RECOMMENDATION

The Finance-Auditing Committee/Committee of the Whole recommends that the Board of Directors authorize the General Manager to pursue and execute agreements, and related amendments, that authorize the District to accept, or bind the District to provide, funds or in-kind services valued at up to \$250,000 per contract. This delegation would apply to transactions including, but not limited to, grant agreements, funding agreements, memoranda of understanding, interagency agreements, and cooperative agreements.

Action by the Board at its meeting of February 28, 2025 – Resolution
NON-CONSENT CALENDAR

AYES (10): Directors Garbarino, Giudice, Hernández, Mastin, Rodoni, Snyder and Thier; Second Vice President Rabbitt; First Vice President Hill; President Cochran.

NOES (0): None.

ABSENT (5): Directors Conroy, Dorsey, Engardio, Moulton-Peters and Pahre.

(9) Renew Annual Delegation of Investment Management Authority to the Auditor-Controller as Per Rule XI, Investment Policy, of the Rules of the Board **[21:58 Minutes Mark on the Audio Recording]**

Auditor-Controller Jennifer Mennucci presented the staff report.

(a) Action by the Committee

Staff recommended and the Committee concurred by motion made and seconded by **Directors HERNÁNDEZ/MASTIN** to forward the following recommendation to the Board of Directors for its consideration:

RECOMMENDATION

The Finance-Auditing Committee/Committee of the Whole recommends that the Board of Directors renew the annual delegation of investment management authority to the Auditor-Controller for FY 25/26 as per RULE XI, **INVESTMENT POLICY, Section E, Delegation of Authority**, of the Rules of the Board, and as provided for in California Government Code Section 53607.

Action by the Board at its meeting of February 28, 2025 – Resolution
NON-CONSENT CALENDAR

AYES (10): Directors Garbarino, Giudice, Hernández, Mastin, Rodoni, Snyder and Thier; Second Vice President Rabbitt; First Vice President Hill; President Cochran.

NOES (0): None.

ABSENT (5): Directors Conroy, Dorsey, Engardio, Moulton-Peters and Pahre.

(10) Status Report on the FY 24/25 Budget [10:24 Minutes Mark on the Audio Recording]

Auditor-Controller Jennifer Mennucci presented the informational staff report (page 53) and no action was taken.

Chair Rabbitt expressed appreciation for staff's fiscal prudence.

(11) Monthly Review of Golden Gate Bridge Traffic/Tolls and Bus and Ferry Transit Patronage/Fares (for Seven Months Ending January 2025) [23:03 Minutes Mark on the Audio Recording]

Auditor-Controller Jennifer Mennucci presented the informational staff report, and no action was taken. She highlighted traffic, ridership and revenue (page 53) and noted that Bridge traffic and Bus and Ferry ridership has increased.

(12) Monthly Review of Financial Statements (for Seven Months Ending January 2025) [24:24 Minutes Mark on the Audio Recording]

(a) Statement of Revenue and Expenses

(b) Statement of Capital Programs and Expenditures

Auditor-Controller Jennifer Mennucci presented the informational staff reports (pages 69 and 79) and no actions were taken.

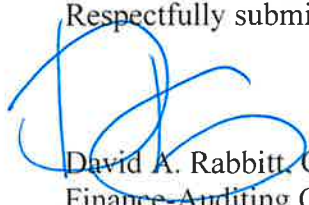
(13) Public Comment

There were no public comments.

(14) **Adjournment** [26:18 Minutes Mark on the Audio Recording]

All business having been concluded Directors GIUDICE/MASTIN moved and seconded that the meeting be adjourned at 10:28 a.m. **Carried**

Respectfully submitted,



David A. Rabbitt, Chair
Finance Auditing Committee

DR:AMK:EIE:tnm